Spotlight
Department of Homeland Security
Office of Inspector General
December 2013 OIG-14-14

Oregon's Management of State Homeland Security Grant Program Awards for Fiscal Years 2010 Through 2012

Why This Matters

Public Law 110-53, Implementing Recommendations of the 9/11 Commission Act of 2007, requires the U.S. Department of Homeland Security (DHS), Office of Inspector General (OIG), to audit individual States' management of State Homeland Security Program (SHSP) and Urban Areas Security Initiative (UASI) grants. This report responds to the reporting requirement for the State of Oregon and Portland Urban Area.
The Federal Emergency Management Agency (FEMA) awarded the State of Oregon approximately $30 million in SHSP and UASI grants during fiscal years (FY) 2010 through 2012.

DHS Response

FEMA concurred with all nine recommendations and is taking steps for corrective actions to address the audit findings.

What We Determined

In most instances, the State used Urban Areas Security Initiative funds according to laws, program guidance, and homeland security plans. However, it did not always use State Homeland Security Program funds according to laws or program guidance. The State can improve its grant management practices by: (1) documenting and claiming management costs properly, (2) monitoring its subgrantees better, (3) obligating grant funds within the required time period, (4) reporting grant fund obligations properly, and (5) developing a performance measurement system.

We questioned approximately $2.3 million in SHSP expenses for FYs 2010 through 2012.

What We Recommend

We recommend that the FEMA Assistant Administrator, Grant Programs Directorate:

• Review and remedy the questioned costs for the SHSP grants for FYs 2010 through 2012; review costs charged to the Homeland Security Grant Program for at least 3 years preceding the scope of our audit; review the accuracy of costs charged to other grants potentially impacted by the Oregon Office of Emergency Management's grant management practices and remedy any ineligible expenditures.
• Develop a process to verify that States accurately report projects as either State, local, or State Administrative Agency projects.
• Assist Oregon with the development of a comprehensive performance measurement system that quantifies its progress toward enhancing preparedness.
• Require the Oregon Office of Emergency Management to: develop proper procedures to support and document the number of hours employees work on Federal grant activities; finalize and implement a monitoring plan to ensure that subgrantees comply with applicable Federal requirements; assess and streamline its grant application and award processes and procedures to allow for the timely obligation of funds to subgrantees within the required 45-day period; and implement internal controls to ensure that its grant administration processes are consistent with its financial administration processes.

For Further Information:
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